

AN ACT

RELATING TO THE WAR ORPHANS EDUCATIONAL ASSISTANCE FUND BY
TRANSFERRING THE MONEYS IN THE FUND TO THE VETERANS TRUST
FUND AND TRANSFERRING DUTIES FOR PROVIDING EDUCATIONAL
ASSISTANCE TO ORPHANED CHILDREN OF VETERANS TO THE
COMMISSION ON VETERANS AFFAIRS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 35A.13, subsection 4, Code 2013, is amended to read as follows:

4. a. The minimum balance of the trust fund required prior to expenditure of moneys from the trust fund is five million dollars. Once the minimum balance is reached, the interest and earnings on the fund and the first three hundred thousand dollars transferred each fiscal year pursuant to section 99G.9A from the lottery fund to the trust fund are appropriated to the commission to be used to achieve the purposes of subsection 6 of this section. Moneys appropriated to the commission that remain unobligated or unexpended at the end of each fiscal year shall revert to the trust fund. It is the intent of the general assembly that the balance in the trust fund reach fifty million dollars.

b. Notwithstanding paragraph "a", moneys credited to the war orphans educational assistance account shall be expended as provided in subsection 6A.

Sec. 2. Section 35A.13, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. a. A war orphans educational assistance account shall be created as a separate account in the veterans trust fund and moneys in the account shall not be commingled with any other moneys within the fund. Moneys

credited to the war orphans educational assistance account shall only be expended for the purposes of assisting in the education of orphaned children of veterans as provided in this subsection. Interest or earnings on moneys deposited in the account shall be credited to the account.

b. (1) The commission may provide educational assistance funds to any child who has lived in the state of Iowa for two years preceding application for state educational assistance, and who is the child of a person who died prior to September 11, 2001, during active federal military service while serving in the armed forces or during active federal military service in the Iowa national guard or other military component of the United States, to defray the expenses of tuition, matriculation, laboratory and similar fees, books and supplies, board, lodging, and any other reasonably necessary expense for the child or children incident to attendance in this state at an educational or training institution of college grade, or in a business or vocational training school with standards approved by the department. The commission shall not expend more than six hundred dollars per year for educational assistance for any one child under this paragraph.

(2) A child eligible to receive funds under this subsection shall not receive more than three thousand dollars under this paragraph "b" during the child's lifetime.

c. (1) Upon application by a child who is less than thirty-one years of age, and who is the child of a person who died on or after September 11, 2001, during active federal military service while serving in the armed forces or during active federal military service in the Iowa national guard or other military component of the United States, and who at the time of entering into active military service had maintained the person's residence in the state for a period of at least six months immediately before entering into active military service, the commission shall provide state educational assistance in an amount of no more than the highest resident undergraduate tuition rate established per year for an institution of higher learning under the control of the state board of regents less the amount of any state and federal education benefits, grants, or scholarships received by the child, or the amount of the child's established financial need, whichever is less, to defray the expenses of tuition at any postsecondary educational institution in this state.

(2) A child eligible to receive state educational

assistance under this paragraph "c" shall begin postsecondary education prior to reaching age twenty-six, shall not receive more than an amount equal to five times the highest resident undergraduate tuition rate established per year for an institution of higher learning under the control of the state board of regents during the child's lifetime, and shall, to remain eligible for assistance, meet the academic progress standards of the postsecondary educational institution. Payments for state educational assistance for a child under this paragraph "c" shall be made to the applicable postsecondary educational institution. The college student aid commission may, if requested, assist the commission in administering this paragraph "c".

d. Eligibility for assistance pursuant to this subsection shall be determined upon application to the commission, whose decision is final. The eligibility of applicants shall be certified by the commission to the director of the department of administrative services in a timely manner, and all amounts that are or become due an individual or a training institution under this subsection shall be paid to the individual or institution by the director of the department of administrative services upon receipt by the director of certification by the president or governing board of the educational or training institution as to accuracy of charges made, and as to the attendance of the individual at the educational or training institution. The commission may pay over the annual sum set forth in this subsection to the educational or training institution in a lump sum, or in installments as the circumstances warrant, upon receiving from the institution such written undertaking as the department may require to assure the use of funds for the child for the authorized purposes and for no other purpose. A person is not eligible for the benefits of this subsection until the person has graduated from a high school or educational institution offering a course of training equivalent to high school training.

e. Any expense incurred in carrying out the provisions of this subsection shall be chargeable to the trust fund.

Sec. 3. Section 35A.13, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 10. It is the intent of the general assembly that beginning with the fiscal year beginning July 1, 2013, appropriations be made as necessary to the war orphans educational assistance account of the veterans trust fund to

pay all claims made pursuant to subsection 6A. Prior to any additional appropriations to this account, the department shall provide the general assembly with information identifying immediate and long-term war orphans educational needs throughout the state and a plan for meeting those needs.

Sec. 4. REPEAL. Sections 35A.19, 35A.20, 35A.21, and 35A.22, Code 2013, are repealed.

Sec. 5. TRANSFER OF FUNDS. All unencumbered and unobligated moneys remaining in the war orphans educational assistance fund on July 1, 2013, shall be transferred to the war orphans educational assistance account of the veterans trust fund created in section 35A.13.

Sec. 6. ADMINISTRATIVE RULES — TRANSITION PROVISIONS.

1. Any rule, regulation, form, order, or directive promulgated by the department of veterans affairs as required to administer and enforce the provisions for the operation of the war orphans educational assistance fund, created in section 35A.19, shall continue in full force and effect until amended, repealed, or supplemented by affirmative action of the commission of veterans affairs.

2. Any award issued by the department of veterans affairs, under section 35A.21, and in effect on the effective date of this Act, shall continue in full force and effect until expiration or renewal.

KRAIG PAULSEN
Speaker of the House

PAM JOCHUM
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 613, Eighty-fifth General Assembly.

CARMINE BOAL
Chief Clerk of the House

Approved _____, 2013

TERRY E. BRANSTAD
Governor